

HOUSE BILL 897  
By Cooper B

AN ACT to amend Tennessee Code Annotated, Title 7; Title 13  
and Title 71, relative to special neighborhood zones for  
municipalities and counties.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 13, Chapter 13, is amended by adding  
the following as a new Part 3:

13-13-301.

(a) Any municipality or county may by resolution or ordinance, as appropriate, of  
its legislative body establish neighborhood revitalization zones, in one (1) or more  
neighborhoods, for the development by neighborhood groups of a collaborative process  
of federal, state and local governments to revitalize neighborhoods where there is a  
significant amount of deteriorated property and property that has been foreclosed, is  
abandoned, blighted or is substandard or poses a hazard to public safety. The  
resolution shall: provide that the chief executive official of the municipality or county  
facilitate the planning process for neighborhood revitalization zones by assigning  
municipal or county staff to make available information to neighborhood groups and to  
modify municipal or county procedures to assist neighborhood revitalization zones; and

establish a process for determination of the boundaries of neighborhood revitalization zones.

(b) Public buildings in the municipality shall be available for neighborhood groups to meet the neighborhood revitalization purposes as determined by the chief executive official.

(c) As used in this section "deteriorated property" means property in serious noncompliance with state and local health and safety codes and regulations.

13-13-302.

(a) Upon passage of a resolution or ordinance pursuant to § 13-13-301, a neighborhood revitalization planning committee may organize to develop a strategic plan to revitalize the neighborhood. The membership of such committee shall reflect the composition of the neighborhood and include, but not be limited to, tenants and property owners, community organizations, and representatives of businesses that are located in the neighborhood or that own property in the neighborhood. A majority of the members shall be residents of the neighborhood. The committee shall adopt bylaws which shall include a process for consensus-building decision-making. Notice of adoption of such bylaws and any amendments thereto shall be published in a newspaper having a general circulation in the municipality or county not more than seven (7) days after adoption or amendment.

(b) The neighborhood revitalization planning committee shall develop a strategic plan for short-term and long-term revitalization of the neighborhood. The plan shall be designed to promote self-reliance in the neighborhood and home ownership, property management, sustainable economic development, effective relations between landlords and tenants, coordinated and comprehensive delivery of services to the neighborhood and creative leveraging of financial resources, and shall build neighborhood capacity for self-empowerment. The plan shall consider provisions for obtaining funds from public

and private sources. The plan shall consider provisions for property usage, neighborhood design, traditional and nontraditional financing of development, marketing and outreach, property management, utilization of municipal facilities by communities, recreation and the environment. The plan may contain an inventory of abandoned, foreclosed and deteriorated property, as defined in § 13-13-301, located within the revitalization zone and may analyze federal, state and local environmental, health and safety codes and regulations that impact revitalization of the neighborhood. The plan shall include recommendations for waivers of state and local environmental, health and safety codes that unreasonably jeopardize implementation of the plan, provided any waiver shall be in accordance with § 13-13-304, and shall not create a substantial threat to the environment, public health, safety or welfare of residents or occupants of the neighborhood. The plan may include components for public safety, education, job training, youth, the elderly and the arts and culture. The plan may contain recommendations for the establishment by the municipality of multi-agency collaborative delivery teams, including code enforcement teams. The plan shall assign responsibility for implementing each aspect of the plan and may have recommendations for providing authority to the chief executive official to enter into tax agreements and to allocate municipal or county funds to achieve the purposes of the plan. The plan shall include a list of members and the bylaws of the committee.

(c) The neighborhood revitalization planning committee shall conduct a public hearing on the proposed strategic plan, notice of the time and place of which shall be published in a newspaper having a general circulation in the municipality at least twice at intervals of not less than two (2) days, the first not more than fifteen (15) days nor less than ten (10) days and the last not less than two (2) days prior to the day of such hearing. The proposed plan shall be submitted to the commissioner of economic and

community development for review. The commissioner may submit comments on the plan to the neighborhood revitalization planning committee.

(d) The strategic plan shall be adopted in accordance with the bylaws of the neighborhood revitalization planning committee. The committee shall submit the approved strategic plan to the legislative body of the municipality or county for adoption by ordinance or resolution pursuant to § 13-13-303.

13-13-303.

(a) The strategic plan shall not be implemented unless approved by ordinance or resolution of the legislative body of the municipality or county. Such ordinance shall create a neighborhood revitalization zone committee for the neighborhood and establish the membership of the committee, provided the categories of membership shall be consistent with the categories of membership of the neighborhood revitalization planning committee and consistent with any recommendations of the neighborhood revitalization planning committee.

(b) The neighborhood revitalization zone committee shall submit a report on the implementation of the strategic plan to the chief executive official and the legislative body of the municipality or county and to the commissioner of economic and community development at intervals of six (6) months in the first year after adoption of the ordinance or resolution and annually thereafter. Any amendment to the strategic plan made subsequent to the date of enactment of the ordinance or resolution shall be adopted by the neighborhood revitalization zone committee and the municipality or county in accordance with the procedures set forth in § 13-13-302 (c) and (d) and shall be submitted to the commissioner of economic and community development for review. After the date of approval of the amendment by the legislative body of the municipality or county, any report required to be made pursuant to this section shall include information concerning the amendment. An amendment to a strategic plan shall be deemed to be a

concept or proposal not reflected within the scope of plan as originally adopted by ordinance or resolution of the municipality or county.

13-13-304.

(a) After enacting a resolution or ordinance establishing a neighborhood revitalization zone, a municipality or county may establish a process to request that a state or local official waive the application of any provision of state and local environmental, health and safety codes and regulations that unreasonably jeopardize implementation of a strategic plan adopted under § 13-13-303, except a provision necessary to comply with federal law. Any waiver shall not create a substantial threat to the environment, public health, safety or welfare of the residents and occupants of the neighborhood. Any request for a waiver shall identify the state or local code or regulation for which the waiver is sought and shall include recommendations for alternate requirements to replace the standard being waived in the existing code or regulation.

(b) A neighborhood revitalization zone committee may determine, by a majority vote of the members present at a meeting scheduled for such purpose and conducted within the boundaries of the zone, if practical, that a provision of a state or local environmental, health or safety code or regulation jeopardizes implementation of the strategic plan and may request a waiver of such provision, provided such request complies with subsection (a). The committee shall forward such waiver request to the chief executive official of the municipality or county. Within five (5) business days of receipt of the request, the chief executive official shall forward a copy thereof to the local official responsible for code enforcement, if any, and to the commissioner of economic and community development. If the request is for waiver of a state code or regulation, the commissioner shall, within five (5) business days of receipt, notify the state official responsible for enforcement of the code or regulation that a provision of such code or

regulation is requested to be waived. The state official or local official shall conduct a public hearing on the waiver within thirty (30) calendar days of receipt of the request at a place determined by the chief executive official. Within fifteen (15) days of the conclusion of the hearing, the state official or local official shall notify, in writing, the chief executive official of the decision. The decision of the state official or local official shall be final.

(c) Any abandoned or vacant property located in a neighborhood revitalization zone established pursuant to §§ 13-13-301 and 13-13-303, inclusive, shall be deemed to be in continuous use for purposes of enforcement of state or local environmental, health and safety codes or regulations.

13-13-305.

The department of economic and community development, within available funds, shall be the lead agency for coordination of state services to neighborhood revitalization zones. On or before January 1, 2004, the commissioner of economic and community development may develop guidelines for state departments, agencies and institutions to provide technical assistance to neighborhood revitalization zones. Such guidelines may provide for multi-agency collaboration as well as a process to make funds, technical support and training available to neighborhoods and may recommend models for community outreach, job training and education, conflict resolution, environmental and health performance standards, new technologies and public safety strategies.

13-13-306.

(a) There is established a neighborhood revitalization zone advisory board. The board shall consist of the following voting members: the commissioner of economic and community development; the president of the University of Tennessee system; the chancellor of the board of regents of the state university and community college system; the heads of those state agencies deemed appropriate by the commissioner; and one

(1) member of each such neighborhood revitalization zone planning committee appointed by the chief executive officer based upon recommendations submitted by such committee. In a municipality or county having more than one neighborhood revitalization zone planning committee, each committee shall submit its recommendations to the chief executive officer and the officer shall choose the board member to be appointed from such recommendations. Each member of the board may designate a person to represent such person on the board. The membership of the board shall be increased on September 1, 2007, and annually thereafter, to reflect the addition of a municipal or county chief executive officer and a member of a neighborhood revitalization zone planning committee having been established in the preceding twelve (12) months, in a municipality or county not previously represented on said board. The members of the board shall serve without compensation.

(b) The commissioner shall serve as chairman of the board and shall convene the first meeting of the board not later than September 1, 2006. At the meeting the board shall adopt bylaws for the conduct of its business. Subsequent to such meeting or any continuation thereof, the board shall meet on a quarterly basis. The department shall provide staff support to the board.

(c) The board shall promote neighborhood self-sufficiency and economic development and assist neighborhood revitalization zone planning committees in developing and implementing strategic plans. The board shall make recommendations regarding the disbursement of moneys in accordance with subsection (d) of this section. The board may serve as a clearinghouse for information about neighborhood revitalization zones, including information on: linkages with technical experts for the development of strategic plans; innovative neighborhood success models; and training and mentoring opportunities for members of neighborhood revitalization planning zone committees. The board may also conduct seminars or conferences and establish

collaborative partnerships with public or private entities, including, but not limited to, financial institutions, nonprofit or religious organizations, state and private institutions of higher learning and libraries.

(d) There is created a neighborhood revitalization zone grant-in-aid program to be administered by the commissioner, for the purpose of providing financial assistance for the benefit of neighborhood revitalization zone planning committees. Such financial assistance, within available appropriations, shall be used for activities that promote neighborhood organizational development, economic development and business planning, specialized curriculum development, leadership training, the use of technology, property management, landlord-tenant relations, intergovernmental relations and such other activities as the board may deem appropriate. The commissioner shall review recommendations regarding the disbursement of moneys made by the board and shall make a determination concerning the awarding of such financial assistance. Upon making a determination, the commissioner shall certify to the comptroller of the treasury the amount payable and the recipient of such grant. The commissioner shall not certify a grant in an amount exceeding ten thousand dollars (\$10,000).

(e) The board shall periodically monitor a recipient's use of such grant, to ensure full compliance with the provisions of this section. Each grant recipient shall, for a period of two (2) years following receipt of such moneys, maintain all invoices, purchase orders and other evidence of expenditures related to the use of such grant.

SECTION 2. The commissioner of economic and community development is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the



act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect July 1, 2003, the public welfare requiring it.